

Capitol Commission

Analyst: Randolph

Historical Summary

OPERATING BUDGET	FY 2019 Total App	FY 2019 Actual	FY 2020 Approp	FY 2021 Request	FY 2021 Gov Rec
BY FUND CATEGORY					
Dedicated	2,342,000	66,700	2,342,000	2,342,000	2,342,000
Percent Change:		(97.2%)	3,411.2%	0.0%	0.0%
BY OBJECT OF EXPENDITURE					
Operating Expenditures	142,000	66,700	142,000	142,000	142,000
Capital Outlay	2,200,000	0	2,200,000	2,200,000	2,200,000
Total:	2,342,000	66,700	2,342,000	2,342,000	2,342,000

Division Description

The nine-member Idaho State Capitol Commission was created by the Legislature during the 1998 session and was charged with, among other things, developing a master plan for the restoration and refurbishment of the Capitol. On January 9, 2010, the newly restored Capitol Building was rededicated.

As of Fall 2019, appointees include Andrew Erstad, Mary Symms-Pollot, Senator Chuck Winder, Nancy Sue Wallace, Representative Jason Monks, and Marilyn Whitney.

Ex-officio voting members include the Director of the Legislative Services Office (Eric Milstead), the Director of the Idaho State Historical Society (Janet Gallimore), and the Director of the Department of Administration (Bryan Mooney), who also serves as commission secretary. Statute requires the commission to meet at least twice per year.

The 2005 Legislature funded the Capitol restoration and expansion project with H386, which made permanent a cigarette tax increase of 57 cents per pack and distributed funds to the Permanent Building Fund for the repair, remodel, and restoration of the Capitol, and related Capitol Mall improvements.

In 2006, the Legislature approved HCR 47 which authorized financing for the Capitol restoration and expansion, including the construction of two-story atrium wings at the east and west ends of the Capitol, of approximately 50,000 square feet each. In the fall of that same year, \$130 million in bonds were issued (pursuant to HCR 47) through the Idaho State Building Authority.

Work on the project commenced in the fall of 2006 and continued until a stop-work order was issued by Governor Otter on January 12, 2007. Negotiations on the overall scope of the project ensued between the Legislature and the Governor. In the final compromise, which was codified in H218 of 2007, the Capitol Master Plan was modified to include the restoration of the Capitol, the construction of single-story atrium wings (25,000 square feet each, scaled back from the original two-story 50,000 square foot wings) at the east and west ends of the Capitol, and a reconfiguration of space in the Capitol that assigned control of the first floor to the Legislature. After approximately two and one-half years of construction, the Capitol was re-opened. The following reflects how the total cost was apportioned: Capitol restoration for \$82.5 million; Capitol expansion (underground wings) for \$37.1 million; and furnishings and equipment for \$3.4 million; for a total of \$123 million.

The debt service scheduled on the bonds called for seven years of annual payments of approximately \$20.1 million, paid from cigarette tax revenues. Of the cigarette tax revenue deposited in the Permanent Building Fund, a portion was statutorily earmarked for Capitol restoration and related efforts. The bond for the renovation was paid off in FY 2015.

The commission's charge now is to oversee the preservation and use of the Capitol. Ongoing funding for maintenance of the Capitol is provided from endowment land funds and investments.

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Agency Profile

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Source of Funds	FY 2019 Expenditures	FY 2020 Appropriation	FY 2021 Budget Request	FY 2021 Estimated Total Cash Available for the Year
1. Commission Operating Fund 0481-09	\$ 66,700	\$ 217,300	\$ 142,000	\$289,500
<p>Receives moneys from: 1) transfers from the Capitol Permanent Endowment Fund based on the Capitol Commission's approval, 2) all interest earned on the Capitol Commission Operating Fund, and 3) all other proceeds either public or private, as approved by the Legislature. All moneys shall be appropriated exclusively for the purposes of supporting the operation, activities, and projects of the Capitol Commission, retained for future appropriation, or transferred to the Capitol Permanent Endowment Fund by legislative appropriation (Section 67-1611, Idaho Code). Funds are used to pay the general operating expenses of the Capitol Commission, including administrative support that is provided by the Department of Administration. All expenditures from this fund are subject to appropriation by the Legislature.</p>				
2. Capitol Maintenance Reserve Fund 0482-79	\$ -	\$ 2,200,000	\$2,200,000	\$11,270,400
<p>Ongoing funding and maintenance for the State Capitol Building and its grounds is paid for from Capitol endowment lands and investments that are deposited into a permanent fund called the Capitol Permanent Endowment Income Fund (permanent endowment). This fund receives income from endowment lands within the state. Each year, the Endowment Fund Investment Board (EFIB) distributes earnings from the permanent endowment to the Capitol Maintenance Reserve Fund per Capitol Commission guidance, but generally at an annual rate of 5% of the three-year average value of the permanent endowment, as recommended by the EFIB. Then, funds are appropriated and transferred from the Capitol Maintenance Reserve Fund to the Capitol Commission Operating Fund, as approved by the Legislature. All moneys in this fund shall be used exclusively by the Capitol Commission to address repairs, maintenance, and construction needs approved by the commission to benefit the Capitol and its grounds; provided that moneys from the fund shall also be used to pay for administrative costs incurred managing the assets of the capitol permanent endowment including, but not limited to, real property and monetary assets. All expenditures from this fund are subject to appropriation by the Legislature (Section 67-1610A, Idaho Code).</p>				
3. Capitol Endowment Income Fund (Permanent Endowment) 0526-10	N/A	N/A	N/A	\$46,554,200
<p>Accrues moneys derived from 7,200 acres of land, over 90% of which is forested, from proceeds and interest from the sale of land, sale of timber, mineral royalties, and land rentals, all of which are collected and deposited to this fund by the Department of Lands (Sections 67-1610A and 67-1611, Idaho Code). The Capitol Endowment Income Fund is managed by the Endowment Fund Investment Board (EFIB).</p>				
Grand Total	\$ 66,700	\$ 2,417,300	\$2,342,000	\$58,114,100

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Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2020 Original Appropriation	0.00	0	2,342,000	0.00	0	2,342,000
Reappropriation	0.00	0	2,275,300	0.00	0	2,275,300
Cash Transfers & Adjustments	0.00	0	(2,200,000)	0.00	0	(2,200,000)
FY 2020 Total Appropriation	0.00	0	2,417,300	0.00	0	2,417,300
Removal of Onetime Expenditures	0.00	0	(75,300)	0.00	0	(75,300)
FY 2021 Base	0.00	0	2,342,000	0.00	0	2,342,000
FY 2021 Total	0.00	0	2,342,000	0.00	0	2,342,000
Change from Original Appropriation	0.00	0	0	0.00	0	0
% Change from Original Appropriation			0.0%			0.0%

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2020 Original Appropriation	0.00	0	2,342,000	0	2,342,000

Reappropriation

The Capitol Commission was provided onetime reappropriation or carryover for any unencumbered and unspent appropriation balance from the Capitol Commission Operating Fund for FY 2019 into FY 2020, pursuant to Section 3 of H261 of 2019. Carryover required legislative approval and is removed as a onetime expenditure before calculating the FY 2021 Base.

Agency Request	0.00	0	2,275,300	0	2,275,300
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>2,275,300</i>	<i>0</i>	<i>2,275,300</i>

Cash Transfers & Adjustments

Rather than reappropriating only the unencumbered and unspent appropriation from the Capitol Commission Operating Fund (\$75,300) from FY 2019, the State Controller processed the reappropriation of all funds (\$2,275,300). This adjustment accounts for the amount that should have been reverted at the end of FY 2019.

Agency Request	0.00	0	(2,200,000)	0	(2,200,000)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>(2,200,000)</i>	<i>0</i>	<i>(2,200,000)</i>

FY 2020 Total Appropriation					
Agency Request	0.00	0	2,417,300	0	2,417,300
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>2,417,300</i>	<i>0</i>	<i>2,417,300</i>

Removal of Onetime Expenditures

This decision unit removes amounts appropriated and reappropriated on a onetime basis in FY 2020.

Agency Request	0.00	0	(75,300)	0	(75,300)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>(75,300)</i>	<i>0</i>	<i>(75,300)</i>

FY 2021 Base					
Agency Request	0.00	0	2,342,000	0	2,342,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>2,342,000</i>	<i>0</i>	<i>2,342,000</i>

FY 2021 Total					
Agency Request	0.00	0	2,342,000	0	2,342,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>2,342,000</i>	<i>0</i>	<i>2,342,000</i>

Agency Request					
Change from Original App	0.00	0	0	0	0
% Change from Original App			0.0%		0.0%
<i>Governor's Recommendation</i>					
Change from Original App	0.00	0	0	0	0
% Change from Original App			0.0%		0.0%